




Commonwealth of Massachusetts
Executive Office of Health and Human Services
Office of Medicaid
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Eligibility Operations Memo 06-02
March 1, 2006

TO: MassHealth Eligibility Operations Staff

FROM: Russ Kulp, Director, MassHealth Operations 

RE: **2006 Social Security Benefit Cost-of-Living Adjustment (COLA) for MassHealth Health Care Reform Cases on MA21**

Introduction

Effective January 1, 2006, a Social Security cost-of-living adjustment (COLA) will increase monthly Social Security benefits for Retirement/Survivors/Disability Insurance (RSDI) beneficiaries by **4.1%**. The new monthly Social Security RSDI benefit amounts are currently available through the SVES inquiry, and will be available through BENDEX inquiry as of January 1, 2006.

COLA Protection for Persons Who Were MassHealth Members on December 31, 2006

MassHealth regulations at 130 CMR 506.008 state, "Members whose income increases each January as the result of a COLA remain eligible until the subsequent federal-poverty-level adjustment." This adjustment occurs annually in April. Therefore, when determining financial eligibility, regardless of the reason, from January 1 until the new federal-poverty-levels (FPLs) are implemented in April 2006, use the 2005 Social Security RSDI benefit amounts to determine continued financial eligibility. These amounts are found on the SVES, SSA Request Entry/Review screen by displaying the benefit history. **An alert message will be placed on the SVES/BENDEX Inquiry screen, indicating when the 2006 COLA amounts are being displayed.**

This procedure applies to Social Security RSDI beneficiaries who were MassHealth members on December 31, 2005.

Approvals On or After January 1, 2006

The financial eligibility of RSDI beneficiaries who become MassHealth members on or after January 1, 2006, is based on the 2006 Social Security RSDI benefit amounts.

Questions

Please direct any questions about the information in this memo to the MassHealth Policy Hotline through the designee at your enrollment center.
